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Robert L. LeHane, Esq.
Jennifer Raviele, Esq. (*pro hac vice* pending)
Ravi Vohra, Esq. **KELLEY DRYE & WARREN LLP**3 World Trade Center
175 Greenwich Street

New York, NY 10007 Tel: 212-808-7800 Fax: 212-808-7897

Email: rlehane@kelleydrye.com jraviele@kelleydrye.com rvohra@kelleydrye.com

-and-

One Jefferson Road Parsippany, NJ 07054 Tel: 973-503-5900

Counsel for Landlord, HGREIT II Edmondson Road, LLC

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY

	X	
In re:	:	Chapter 11
BED BATH & BEYOND, INC., et al.,	: :	Case No. 23-13359 (VFP)
Debtors.	: :	(Jointly Administered)
	:	
X		

MOTION FOR ENTRY OF AN ORDER AUTHORIZING HGREIT II EDMONDSON ROAD, LLC TO FILE UNDER SEAL ITS UNREDACTED LEASE WITH TENANT WILLIAMS-SONOMA STORES, INC.

Landlord HGREIT II Edmondson Road, LLC ("Landlord") as landlord to debtor Bed Bath & Beyond, Inc. with respect to retail premises located at the Rookwood Commons shopping center in Cincinnati, Ohio (the "Premises"), hereby submits this motion (the "Seal Motion") for entry of an order authorizing Landlord to file under seal the Lease Dated May 29, 2019, between HGREIT II Edmondson Road, LLC, as landlord, and Williams-Sonoma Stores,

Inc. as Tenant (the "West Elm Lease"). In support of the Seal Motion, Landlord respectfully represents:

JURISDICTION

1. This Court has jurisdiction to consider the Seal Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

- 2. On April 23, 2023, the above-captioned Debtors filed their voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.
- 3. No trustee has been appointed and Debtors are currently operating their businesses as debtors-in-possession under Sections 1107(a) and 1108 of the Bankruptcy Code. Debtors' Chapter 11 cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.
- 4. On July 12, 2023, Landlord filed its objection to the Debtors' assumption and assignment of the lease for the Premises (the "Assumption Objection").²
- 5. The Assumption Objection references the West Elm Lease, and provides that the Debtors have failed to establish that their proposed assignee will comply with the use and exclusivity provisions of the West Elm Lease.

RELIEF REQUESTED

The initial and current trade name under the West Elm Lease is West Elm.

² Docket No. 1326.

6. By this Seal Motion, Landlord seeks entry of the proposed order, attached hereto as Exhibit A (the "Proposed Order") (i) authorizing Landlord to file an unredacted copy of the West Elm Lease under seal; (ii) granting the Landlord leave to redact confidential portions of the West Elm Lease and (iii) ordering that the unredacted version of the West Elm Lease shall remain confidential and not be made available to anyone other than the Court.

CAUSE EXISTS TO FILE THE WEST ELM LEASE UNDER SEAL

7. Pursuant to Section 107(b) of the Bankruptcy Code:

On the request of a party in interest, the bankruptcy court shall, and on the bankruptcy court's own motion, the bankruptcy court may ... protect an entity with respect to a trade secret or confidential research, development, or commercial information....³

8. Bankruptcy Rule 9018 explains the process by which a party-in-interest may seek relief under Bankruptcy Code Section 107(b) as follows:

On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information....⁴

9. Landlord submits that the information contained in the West Elm Lease falls within the scope of information that the Court may protect pursuant to section 107(b)(1) of the Bankruptcy Code and Bankruptcy Rule 9018. Commercial information is information which, if disclosed, would result in "an unfair advantage to competitors." Section 107(b) is "designed to

³ 11. U.S.C. § 107(b).

⁴ Fed. R. Bankr. P. 9018. See also Local Bankr. R. 5005-5.

In re Faucett, 438 B.R. 564, 567 (Bankr. W.D. Tex. 2010) (citing Video Software Dealers Ass'n v. Orion Pictures Corp., 21 F.3d 24, 27 (2d Cir. 1994)).

protect business entities from disclosure of information that could reasonably be expected to cause the entity commercial injury."

10. Dania, Incorporated d/b/a Scandinavian Designs ("Scandinavian Design"), the proposed assignee, is a direct competitor of West Elm and the confidential information contained in the West Elm Lease consists of financial and business terms, disclosure of which may be detrimental to West Elm's business. Accordingly, Landlord requests entry of an order authorizing it to redact confidential information included in the West Elm Lease prior to filing it with the Court.

⁶ *Id*.

WHEREFORE Landlord respectfully requests entry of the Proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: July 25, 2023 Respectfully submitted,

/s/ Robert L. LeHane

Robert L. LeHane, Esq.

Jennifer Raviele, Esq. (pro hac vice pending)

Ravi Vohra, Esq.

KELLEY DRYE & WARREN LLP

3 World Trade Center 175 Greenwich Street New York, NY 10007

Tel: 212-808-7800 Fax: 212-808-7897

Email: rlehane@kelleydrye.com

jraviele@kelleydrye.com rvohra@kelleydrye.com

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Counsel for Landlord, HGREIT II Edmondson Road, LLC